



CONTENTS

1	Convener's foreword	2	
2	Management commentary		
	About the SSSC	5	
	Working to achieve social services of the highest quality	6	
	Our contribution to a better Scotland	6	
	Required registration	7	
	Our performance in 2008/09	8	
	A responsible and responsive organisation	14	
	Governance of the SSSC	16	
	Financial review	18	
3	Remuneration report	24	
4	Statement of accountable officer's responsibilities	29	
5	Statement on internal control	31	
6	Independent auditor's report	37	
7	Annual accounts	41	

The Scottish Social Services Council (SSSC) has a significant role to play in helping the Scottish Government achieve its vision of a healthy, safe, well-educated country, with a vibrant economy and opportunities for all.

In a major step towards this, we were delighted that earlier this year, the Government made it clear that all key social service workers will be required to register with us. This will ensure that in the future, social services are provided by a qualified, motivated and regulated workforce, which we believe is essential to the quality of life and well being of people who use these services and their carers.

In the coming years, on a phased basis, we will see all key social service workers registered and regulated. This scale of registration along with our work in workforce development has the potential to transform social services for the better.

In anticipation of required registration we have begun a programme of meetings with elected members of all local authorities. In the coming year this programme will be extended to other employers. During our visits it was heartening to hear support for a registered workforce and the commitment and hard work going on every day to ensure that people who use social services can rely on a trained and trusted workforce.

We had dramatic proof of this when we saw a doubling of the number of entries for the sixth Care Accolades. As a judge, I saw at first hand the tremendous work being carried out by social service teams across the country. It was good to see finalists from as far afield as Orkney and Dumfries demonstrating innovative approaches to work. It was also great to see so much evidence of excellent partnership working with a wide range of organisations from the private, voluntary and health sectors.

Care Accolades and other such events demonstrate the real difference to people's lives that a trained and valued workforce can make. I would urge employers to continue to invest in their workforce to ensure people who rely on these services continue to get full benefit from this invaluable group of staff.



1. CONVENER'S FOREWORD

Our Continuous Learning Framework, which was launched this year has been well received by the sector and should allow workers to continue to enhance their skills and develop their practice throughout their careers. I am also delighted to report that the Childhood Practice Award is now offered at five universities with others set to follow. There is also worldwide interest in the Award with a presentation to an international conference in Norway and real interest shown by a member of parliament from Australia and from Scandinavian delegates – Scotland is leading the way with this development.

As the sector skills council, Skills for Care and Development (SfC&D), we recognise that we must begin to address the future demand for social services and the social care workforce. What is clear is that we cannot simply provide more of the same. It has been suggested that if we tried to do so that by 2030, virtually every school leaver would have to work in care. New ways of working, staff developing enhanced skills and partnerships between social care and health will be essential to meet the needs of the population in the future.

To this end we are working with other agencies to provide good quality data that will assist in projecting demand for certain types of services. This year we have further developed our workforce planning and development tools and are keen to support employers in making full use of these resources.

In the coming years we will see a significant increase in all areas of our work and we have already started planning to meet this increased demand. We have prepared next year's corporate plan aligned to the Scottish Government's national outcomes and this has provided a welcome opportunity to focus on how the Council can make a difference to the people of Scotland.

In-depth stakeholder research we carried out highlighted that we need to continue to work to raise awareness of our roles and responsibilities among certain groups of social service workers and amongst people who use services and their carers. However, it also gave us some very positive messages about the SSSC as an organisation and we intend to build on these strengths in the coming year.

In the current challenging economic climate, we must be able to do this in a way that makes the most efficient use of our resources. Like all public bodies we must demonstrate that we are achieving our objectives in the most efficient and effective way. To ensure this, we have introduced rigorous Best Value reviews which will look at how we can continuously improve the way we operate and continue to provide value for money.

At the SSSC the Council members and staff will continue to strive to achieve our vision of a competent, confident and valued workforce providing social services of the highest quality, which is the true measure of our success.



**Garry Coutts, Convener
Scottish Social Services Council**



2. MANAGEMENT COMMENTARY

ABOUT THE SCOTTISH SOCIAL SERVICES COUNCIL

The Scottish Social Services Council (SSSC) was established in October 2001 by the Regulation of Care (Scotland) Act. We are responsible for registering people who work in the social services and regulating their education and training.

Our work will increase the protection of people who use services by ensuring that the workforce is properly trained, appropriately qualified and effectively regulated.

The SSSC's vision is a competent, confident and valued social service workforce.

Our aims:

- to protect those who use services
- to raise standards of practice
- to strengthen and support the professionalism of the workforce.

To achieve our objectives we have a number of responsibilities:

- to set up registers of key groups of social service staff
- to publish Codes of Practice for all social service workers and their employers
- to regulate the training and education of the workforce
- to promote education and training
- to undertake the functions of the sector skills council; Skills for Care and Development, this includes workforce planning and development.

We will achieve this by:

- putting people who use services and carers at the heart of everything we do
- raising awareness of the work carried out by the social service workforce
- promoting the importance of education, training and workforce development as part of the drive to raise standards
- being responsive to policy developments and wider initiatives in the sector
- regulating and registering the social service sector
- being open, accountable, accessible and responsive
- working in partnership with our stakeholders.

WORKING TO ACHIEVE SOCIAL SERVICES OF THE HIGHEST QUALITY

Working with our partners in the social service sector in Scotland we want to achieve:

- social services of the highest quality
- the protection of people who use social services
- a workforce that is confident, competent and valued
- a strategy for meeting the future needs of people who will require social services
- public confidence in a trained and trusted workforce
- social service workers proud of their profession and recognised for the difference they make.

OUR CONTRIBUTION TO A BETTER SCOTLAND

The SSSC has an important role to play in delivering the Scottish Government's strategic objectives to create a wealthier, fairer, healthier, safer, stronger and smarter Scotland.

The SSSC aims to contribute to the achievement of a better Scotland through the work we do. Through regulation and registration we will help to ensure that people who use social services receive these services from a safe and skilled workforce that is responsive to their individual needs.

We will also support the development of the workforce so it has the capacity and capability to provide care and social services of the highest quality, working in partnership with colleagues in health, housing, education and justice to improve communities and make them safer.

Ensuring the education and training of social service workers delivers workers with the skills and knowledge required by employers, people who use services and carers is also of vital importance. Through our work in quality assuring the social work degree, the Childhood Practice Awards, the Mental Health Officer (MHO) Award and the development of National Occupational Standards we will work with these stakeholders to ensure training and education stays relevant and continually evolves and improves.

TRANSFORMING SOCIAL SERVICES

To meet the demand for social services, now and in the future, significant work is needed. The Scottish Government has established its objectives and the national outcomes for Scotland, and through legislation, policy and research, set out the future direction of social services. The SSSC has a role to play in making this a reality.

REQUIRED REGISTRATION

In this period the Scottish Government introduced required registration for individual workers in care services.

The Scottish Government carried out a consultation at the end of 2008 on the dates for introducing required registration for residential child care workers, workers in care home services for adults, day care services for adults, day care of children services and Care Commission officers.

As a result, the Regulation of Care (Fitness of Employees in Relation to Care Services) (Scotland) (No 2) Regulations 2009 came into force on 30 April 2009.

This means that dates have been set by which workers in all these groups must be registered.

In 2009, residential child care workers and managers of adult day care and care home services must achieve registration. Residential child care workers are required to be registered by 30 September 2009 and managers of adult day care and care home services are required to be registered by 30 November 2009.

To ensure that applications for registration are processed in time, Scottish Government asked us to set and publicise dates by which these workers must submit their applications for registration in order to ensure that they are considered by the date required registration commences. The date set for residential child care workers was 31 March 2009 and the date for managers of adult residential care and adult day care was 31 May 2009. In January 2009 1,695 residential child care workers were registered and 210 applications from those workers were being processed. By the end of the first week in April a further 2,367 applications had been received.

This is evidence that required registration is necessary and is working. It is hoped that as awareness of required registration increases, workers will submit their applications in good time; in the meantime the SSSC is working hard to deal with peaks in submission of applications.

The SSSC aims to contribute
to the achievement of a better
Scotland through the work we do.

OUR PERFORMANCE IN 2008/09

The SSSC publishes an annual corporate plan, which covers a rolling three-year period. This section outlines our performance against the strategic objectives and the key performance indicators.

Strategic objectives

1. To develop the capability and capacity of the social service workforce.
2. To register and regulate social service workers.

This section of the annual report provides details on our progress in meeting our target as set out in our key performance indicators (KPIs).

TO DEVELOP THE CAPABILITY AND CAPACITY OF THE WORKFORCE

Our long term outcomes for this strategic objective are:

- people who use services are confident in the skills of their service providers
- the workforce is made up of the right people with the right skills to provide services of the highest quality
- individual workers feel valued and confident to carry out their work
- education and training providers deliver qualifications fit for purpose, individuals and employers
- the SSSC is recognised as an example of a learning organisation.

In this area of work we have four broad objectives relating to the main areas of our work:

- providing information to the sector to assist with workforce planning
- ensuring the quality of education and training
- promoting and supporting workforce development
- working with stakeholders to stabilise the delivery of practice learning.

Throughout this document traffic lights will indicate our progress in meeting our KPIs.

- achieved
- partially achieved
- not achieved

Objective 1: Assist effective workforce planning for the sector through the provision of robust, relevant, comparable workforce information and intelligence.

KPI: By April 2009 report available on projected demand for community care services for period 2009 – 2024 with projections of possible workforce implications.

Our performance: ●

We have produced an intelligence report and distributed it to employers. In the coming year we will build upon this work and identify key information and ensure this is incorporated in the development of our workforce solutions portal.

KPI: By 2009 core workforce data will have been collated on each of the registration categories and analysis of this information will be available to assist future workforce planning in the registration function.

Our performance: ●

This is part of a wider data project involving the Scottish Government, COSLA and the Care Commission.

There has been a delay in this project as there were a number of issues to resolve surrounding the sharing of data between the Care Commission and the SSSC. Work will now start in June 2009.

Objective 2: Through rigorous approval and quality assurance of education and training programmes strengthening the professionalism of social service workers.

KPI: Approved courses will continue to meet the SSSC Rules and Requirements and provide evidence of enhancement and widening of participation through quality assurance mechanisms. All providers will have established flexible entry through the use of Scottish Credit and Qualifications Framework (SCQF) by 2011.

Our performance: ●

The Rules for Social Work Training (2003) state that the SSSC must review and renew the approval of social work degree courses within five years of the initial approval. As the new degree courses were approved in 2004 and 2005 work has been on-going throughout 2008/09 on these reviews and renewals. All courses continue to comply with the SSSC Rules and Requirements.

All of the eight universities providing 16 programmes of social work degrees and post graduate courses offer flexible entry and provide recognition of prior learning.

The SSSC also has responsibility for the approval and quality assurance of specialist awards. These awards are:

- Childhood Practice Award
- Mental Health Officers Award
- Practice Learning Qualification (Social Services).

During this reporting period we approved:

- five Childhood Practice Awards
- two Mental Health Officers Awards
- four Practice Learning Qualification (PLQ) (Social Services).

We also carried out the first annual quality assurance of the PLQ (SS). The two programmes that were approved in autumn 2007 continue to meet the rules and requirements.

A pilot programme for admission to the course with recognition of prior learning, was developed by the West Social Services Learning Network to support people who had not completed the Practice Teaching Award.

All providers of Childhood Practice Awards must ensure a process for recognition of prior learning.

Objective 3: Promote a culture of workforce development.

KPIs:

- Introduce the Continuous Learning Framework (CLF) in autumn 2008.
- Evaluation of the CLF will be carried out with employers to establish levels of use and provide feedback in improvements.

Our performance: ●

On 3 December 2008, Adam Ingram the Minister for Children and Early Years launched the Continuous Learning Framework. The CLF has been developed in partnership by the SSSC and the Institute for Research and Innovation in Social Services (IRISS). It aims to improve the quality of outcomes for people using social services by supporting the people who are providing these services to the best they can be. It describes what people need to be able to do, to do their job well now and in the future and what employers need to do to support their employees. It focuses on four key areas:

- the qualifications and training that are needed
- the knowledge, skills, values and understanding required
- personal capabilities which describe the way people manage themselves and their relationships with others
- organisational capabilities which describe the culture and conditions in the workplace that enable social service workers to be the best they can be.

We will be working with the four Scottish Social Services Learning Networks to support employers to use the CLF and further develop tools to enhance its use.

In the coming year our stakeholder engagement working group will establish methods to measure the use of the CLF so we can seek to increase its usage in the years to come.

Objective 4: Work with stakeholders to stabilise the delivery of practice learning.

KPI: In the next three years we will measure the supply of practice learning opportunities with an annual target of reducing late starts. Targets:

2008-2009 – 10% late starts

2009-2010 – 7.5 % late starts

2010-2011 – 5% late starts

Our performance: ●

Nationally, this target was achieved. There are variances between different parts of the country. There continues to be difficulties in embedding the culture of practice learning in organisations. We will work with the Scottish Government to evaluate the policy in relation to provision of practice learning opportunities. We will also work with the learning networks and seek the views of our stakeholders about how we build a stronger foundation for delivering the required practice learning opportunities.

Other developments

A number of other developments took place that will develop the capacity and capability of the sector.

- Over 650 enrolments on the Childhood Practice Awards with five universities offering the award to managers of day care of children services.
- Publications developed:
 - Get Skilled – the second issue of Get Skilled looks at projects which contribute to skills solutions and challenges identified in the Sector Skills Agreement (SSA).
 - Funding and Support for Training – this guide provides information on sources of funding and support for training activities available for organisations delivering social services in Scotland.
- Carried out a review of the children's care, learning and development and health and social care awards to ensure that they remain fit for purpose.
- Developed the National Occupational Standards for sensory services.
- New standards for leadership and management of care were rolled out to the sector. The development of this award was one of the key recommendations in Changing Lives.
- Worked to develop equivalency processes for international social care and child care qualifications.
- Carried out a review of Modern Apprenticeships.

TO REGISTER AND REGULATE THE SOCIAL SERVICE WORKFORCE

The work of the SSSC is aimed at protecting people who use social services. Registration and regulation of the workforce is to ensure that people who use social work, social care and early education and child care services receive safe services from skilled workers. The establishment of a nationwide qualifications based Register means key groups of social service workers must complete relevant education and training that will help ensure that they can manage the complex responsibilities required of them in a safe, skilled and respectful manner.

The Code of Practice for Social Service Workers sets out the standards of conduct required of social service workers. We are working to ensure that all people who use services and their carers are aware of and understand the Codes.

The long term outcomes of registration and regulation are:

- people who use services are protected and receive effective services from safe competent workers.
- the Codes of Practice ensure that social service workers and their employers are clear about the standards they must meet.
- social service workers, in fulfilling their obligations as set out in the Codes of Practice, provide high quality social services.

Objective 1: Maintain a qualifications based register.

KPIs:

1. Applications received within the set timescales are processed before commencement of requirement to register measures.
2. In the period 1 December 2008 to 1 April 2009, 25% of changes in circumstances are submitted on-line by registrants.
3. Monitor to ensure that all newly qualified social workers meet the specific Post Registration Training and Learning (PRTL) requirements that apply to their registration.
4. In 2008 – 2009 we will establish a base line for processing times of registration applications and maintaining the Register using the ICT system.

Our performance:

The first date for commencement of requirement to register is September 2009. However, we set out and published dates by which residential child care workers and managers of adult residential and day care were required to submit their applications in order to ensure they were processed in time for required registration.

1. ● Requirement to register was implemented at the end of April. However, we were able to inform the first groups that would be required to register the timescales of processing their applications.
2. ● After testing of the on-line facility it was decided to delay going live by one month until the beginning of January in response to user feedback. This time allowed us to make the system more user friendly. From 1 January to 1 April 2009, 19% of changes in circumstances were completed on-line. In total, 1,437 on-line accounts were activated and 234 changes of circumstances were reported on-line.
3. ● To ensure that newly qualified social workers (NQSWs) are assisted to continue to learn and develop they are required to complete 24 days

of PRTL in their first 12 months of registration (18 months for NQSWs working part-time). A minimum of five days of this PRTL must focus on training and development in relation to the protection of children and adults at risk of harm.

NQSWs have to submit a PRTL Record of Achievement detailing the training and learning they have completed and explaining how it has assisted them to consolidate their social work skills, knowledge and values and contribute to the protection of children and adults to the SSSC. These Records of Achievement are assessed by SSSC Learning and Development Advisers and a number of NQSWs had to be asked to provide further evidence of meeting PRTL requirements. In order to improve compliance we have:

- updated and extended the guidance documentation provided to NQSWs and their employers about PRTL
- met with line managers of NQSWs and training personnel to discuss how they can support NQSWs to meet PRTL requirements
- met with all final year degree student cohorts (and course staff) to explain PRTL requirements and the importance of meeting them.

We also intend using our findings from assessing the PRTL Records of Achievement of NQSWs to inform the review of the social work degree.

4. ● We have established base line timescales for processing applications for registration and we will work to improve these and achieve further efficiencies in future years.

Objective 2: Promote registration to social service workers and their employers.

KPI: Each year increase the number of registration submissions received by 5%.

Our performance: ●

In this period we increased registrations by 35% bringing the total number of individual registrants to 26,857 (a number of registrants are on more than one part of the Register). From April 2008 to March 2009 we held 21 information sessions about Registration. In addition, Council members visited local authorities to meet with elected members to promote registration and outline the timescales for required registration.

Objective 3: Ensure that only workers of good character and conduct are allowed to enter and remain on the Register.

KPI: Conduct matters are dealt with in accordance with the Conduct Rules.

Our performance: ●

The SSSC has Registration and Conduct Rules that govern how we determine an applicant's suitability for registration and deal with the alleged misconduct of registrants. In this period all our suitability for registration work was undertaken in accordance with these Rules.

We considered 224 new allegations about registered workers under the Conduct rules. Following investigation, it was decided that no further action was required in 130 of these cases, eight of the cases were not complaints and nine were referred into the Sub-committee process. Those nine plus 15 received before 1 April 2008 were referred into the Sub-committee process during the year 1 April 2008 to 31 March 2009.

There were nine findings of misconduct in this reporting period.

Objective 4: Raise awareness among people who use services and carers about the Codes of Practice for Social Service Workers and Employers of Social Service Workers.

KPI: A review of the Codes of Practice will be undertaken and will include consideration of people who use services and carers' awareness.

Our performance: The review of the Codes of Practice found that stakeholders continued to find the Codes relevant and fit for purpose and did not require revision. The findings of the review reinforced the need for the work we had commenced to raise people who use services and carers' awareness of the Codes. Respondents to the review stressed the need for enforcement of the Code for Employers and the SSSC is in discussions with its Sponsor Branch about this matter.

KPI: actions implemented and methods devised to measure success in raising awareness of the Codes of Practice.

Our performance: ●

We worked with Who Cares? Scotland and 'looked after' young people to develop a DVD to raise awareness of the Codes of Practice among 'looked after' children and young people.

In the coming years we will carry out research among people who use services and carers to measure awareness of the Codes of Practice.

A RESPONSIBLE AND RESPONSIVE ORGANISATION

Achieving our vision is dependent upon the SSSC being a high performing organisation in all aspects of our work.

To support our work in achieving our two strategic objectives we also must:

- develop our employees
- value our workforce and ensure equality of opportunity
- ensure that our work with our external stakeholders meets our commitments set out in our equality and diversity policy
- communicate and engage with our stakeholders
- meet our legal requirements
- manage our resources effectively and sustainably.

In this period we have carried out a number of significant areas of work.

- Produced and implemented our communication strategy.
- Consulted stakeholders on our single Equality Action Plan and asked for views on how we are meeting our equality duties.
- Involved all staff in developing the corporate plan.
- Consulted stakeholders on our Single Equality Action Plan and asked for views on how we are meeting our equality duties.
- Offered bespoke learning and development opportunities to staff identified from individual and team development plans.
- Carried out an evaluation of internal communications, which although identified areas for improvement, highlighted that the majority of staff are satisfied with internal communications.
- Supported by our human resource policies and procedures ensured low staff absence and turnover both of which are a positive measure of the organisation's health. We can report that staff turnover in this reporting period averaged at 8% – which compares well with the UK average of 17.8%. Sickness absence for the same period was 2.3% (this excludes long term sickness), the UK average is 3.5%.
- Further developed our environmental policy, which included working with Dundee City Council to develop a more environmentally friendly policy. We are also looking at more radical solutions to use our resources in a sustainable way, for example, solar panels on the roof of the building and wind turbines.

As an organisation the SSSC works to achieve the following outcomes.

- An organisation that makes a difference to the lives of people who use social services.
- A reputation for listening to and acting upon the views of our stakeholders.
- The right staff with the right skills.
- An organisation able to influence and inform.
- An accountable and transparent organisation.
- An efficient and effective organisation operating in line with principles of best value.

DATA PROTECTION

Following the Scottish Government's review of information security policies and data handling arrangements, the SSSC undertook a scoping exercise on the personal data held by the organisation. We also identified information held about categories of 1,000 or more identifiable individuals as required by the Scottish Government. A risk assessment exercise was undertaken on the personal data held and the top five information risks were identified. These risks are managed as operational risks through the organisation's Operational Management Team. The following strategic risk was added to the SSSC's Risk Register: 'That personal data is processed in breach of the Data Protection Act 1998.' Management of risks on the Risk Register is managed through the Executive Management Team and regularly reviewed at the Audit Committee, which reports to the Council on adequacy of controls.



GOVERNANCE OF THE SCOTTISH SOCIAL SERVICES COUNCIL

The SSSC is accountable to the Scottish Government through the sponsorship branch within the Workforce and Capacity Issues Division of the Children, Young People and Social Care Directorate. Our corporate plan is agreed with the sponsors and we are accountable to them in the achievement of our objectives.

THE COUNCIL

The Council is made up of a Convener and 11 Members, all of whom are appointed by Scottish Ministers through open competition. The membership reflects a wide range of interests in the field of social care, including people who use services, carers, those involved in service delivery, professional bodies and those delivering education and training for the social service workforce. The Council Members work together to achieve the corporate vision of the Scottish Social Services Council.

HOW THE COUNCIL UNDERTAKES ITS ROLE

Council Members are subject to the Ethical Standards in Public Life etc. (Scotland) Act 2000 and the SSSC Code of Conduct which has been approved by Scottish Ministers. The key principles which underpin the Code are based on the principles of public life set down by the Committee on Standards in Public Life (originally 'the Nolan Committee'). The key principles are:

- Public Service
- Selflessness
- Integrity
- Objectivity
- Accountability and Stewardship
- Openness
- Honesty
- Leadership and
- Respect.

Council Members also work to the six core principles set out in the Good Governance Standard for Public Services.

1. Focusing on the organisation's purpose and on outcomes for citizens and people who use services.
2. Performing effectively in clearly defined functions and roles.
3. Promoting values for the whole organisation and demonstrating the values of good governance through behaviour.
4. Taking informed, transparent decisions and managing risk.
5. Developing the capacity and capability of the governing body to be effective.
6. Engaging stakeholders and making accountability real.

The quarterly Council meetings are held in public and the minutes of each meeting are available on our website **www.sssc.uk.com**.

SSSC COUNCIL

Garry Coutts, Convener

Michael Cairns

Elizabeth Carmichael

Professor Frank Clark

Karen Croan

Ian Doig

Dr Anne Haddow

Professor Bart McGettrick

Margaret McKay

Maureen O'Neill

Stan Smith

Kingsley Thomas

THE SSSC COMMITTEES

The principal standing Committees are the Learning and Development Committee and the Registration and Regulation Monitoring Committee. The Learning and Development Committee is responsible for overseeing the work of the Council in relation to Strategic Objective 1: To develop the capability and capacity of the workforce. The Registration and Regulation Monitoring Committee is responsible for overseeing the work of the Council in relation to Strategic Objective 2: To register and regulate the workforce. The Council has overall responsibility for oversight of the work of the SSSC and in particular for ensuring that the interface between the Council's work in registration and regulation and development of the capability and capacity of the workforce is identified and managed to ensure that the SSSC works in a coherent and effective manner. The other Committees oversee our work in relation to the resourcing and internal control of our activities and registry casework. All of the Committees report to Council.

We currently have the following Committees:

AUDIT COMMITTEE

Established to take an overview of the financial reporting arrangements of the Council, the external and internal audit arrangements and ensure that there is sufficient and systematic review of internal control arrangements of the organisation, including arrangements for risk management.

FINANCE AND RESOURCES COMMITTEE

Established to take an overview of how the Council conducts its business, overseeing on behalf of the Council, the preparation of work and business plans, including budgets and resource requirements and the effective, efficient and economical use of the Council's money and to agree the organisational structure, human resources strategy and employment policy.

LEARNING AND DEVELOPMENT COMMITTEE

Established to support the delivery of high quality social work and social services in Scotland, working with employers to develop and maintain a competent and appropriately qualified workforce in all sectors and to oversee workforce analysis and planning, employment and training initiatives and the development of appropriate and accessible National Occupational Standards. In overseeing the SSSC's responsibility for disbursing grants and other funding for training such as postgraduate bursaries and practice learning fees for social work students, the Learning and Development Committee has responsibility for 57% of the SSSC budget.

This Committee also oversees the work of the Council in relation to the sector skills council; Skills for Care and Development.

REGISTRATION AND REGULATION MONITORING COMMITTEE

Established to monitor and report to Council on the quality and effectiveness of the systems, processes and procedures used in the registration and regulation of the social service workforce and to advise Council on the development of policy in relation to regulation and registration of the social service workforce.

REMUNERATION COMMITTEE

Established to deal with the remuneration of the Executive Management Team, with the exception of the Chief Executive, whose remuneration is determined by Scottish Government.

REGISTRATION COMMITTEE

Established to act as the Registration Committee in terms of the Council's Registration Rules. The Registration Rules set out the processes, procedures and requirements for registration in the SSSC's Register.

CONDUCT COMMITTEE

Established to act as the Conduct Committee in terms of the SSSC's Conduct Rules. The Conduct Rules regulate how the SSSC deals with allegations of misconduct against persons on the SSSC's Register.

The SSSC has a number of other committees that only meet as required, such as the Complaints Review Committee and the Employment Appeals Sub-committee.

CURRENT AND FUTURE Funding

The Scottish Social Services Council is funded mainly by grant in aid and grants for specific projects from the Scottish Government. Operating income includes practice learning funding, income received from registration fees and miscellaneous income.

The Scottish Social Services Council is not permitted to make use of overdraft facilities or to borrow.

Financial position

The Income and Expenditure Account shows an operating cost. This operating cost is funded by grants and grant in aid that are treated as sources of funds and credited to the General Reserve on the balance sheet in accordance with the Government Financial Reporting Manual (FRM).

The SSSC had authority to drawdown grant in aid of £9.470m but only required to draw down £9.065m (£0.405m less than the amount approved). Other grant income of £0.289m was received in addition to grant in aid. Of this funding £9.225m was used for revenue purposes and the balance of £0.129m was used to fund capital expenditure.

The SSSC also transferred £0.307m from Specific Reserves to the General Reserve to fund 2008/09 expenditure.

The SSSC's operating income during the financial year 2008/09 was £3.176m. This includes registration fee income of £0.575m.

The SSSC's expenditure for the year ended 31 March 2009 totalled £12.796m. Staff costs amounted to £4.374m (excluding pension scheme valuation adjustments). Operating expenditure was £2.767m (excluding notional items) and payments of grants, awards and bursaries totalled £5.655m.

The SSSC budgeted for a 2008/09 deficit of £0.307m to be funded by transfers from specific reserves. The financial position at the end of 2008/09 was a

funding deficit of £0.318m. This is summarised in the table below:

	Budget £000	Actual £000	Variance £000
Operating income:			
Fee income	(533)	(575)	(42)
Other income	(2,916)	(2,601)	315
Total operating income	(3,449)	(3,176)	273
Bank interest (net of charges)	0	(5)	(5)
Total income	(3,449)	(3,181)	268
Operating costs:			
Staff costs	4,170	4,374	204
Other operating costs	2,360	2,767	407
Grants, awards and bursaries	6,469	5,655	(814)
Total operating cost	12,999	12,796	(203)
Net revenue expenditure	9,550	9,615	65
Funded by:			
Grants and grant in aid	(9,341)	(8,936)	405
To fund depreciation	(72)	(72)	0
Other grants	(137)	(289)	(152)
Total funding	(9,550)	(9,297)	253
Funding deficit	0	318	318
Transfers from specific reserves	0	(307)	(307)
Net change to revenue general reserve	0	11	11

Review of 2008/09

The corporate plan was reviewed early in the financial year and a revised budget and reduced grant in aid requirements were agreed with the Council and Sponsor Department. The original budget included a grant in aid requirement of £9.470m. This was reduced by £0.129m to £9.341m in the revised budget and due mainly to an underspend on disbursements during the year a further £0.276m of grant in aid was not required.

The revised budget included an adjustment to staff costs to fund a twilight shift in the Registration section. The profile of registration dates means a peak in registration work in the summer months and this shift was recruited to deal with this. During the year there were a number of posts not filled on a permanent basis to provide workload management flexibility. However, the savings arising from these vacant posts were offset by expenditure on temporary staffing costs. Recruitment and training costs were greater than budgeted due to the temporary staffing arrangements. As part of the review of expenditure one post was deleted and one member of staff was granted early retirement on efficiency grounds at a cost of £49k. The net result was an overspend on staff costs of £204k when compared to the original budget.

Other operating costs include a planned overspend on OSCAR development and implementation costs that were funded by a transfer from the specific OSCAR reserve. Other operating costs also include additional expenditure funded by additional grant income and Disclosure Scotland fees that also attract additional offsetting income.

Grants, awards and bursaries show an underspend mainly due to practice learning fee and bursaries payments being lower than anticipated when the budget was set. Practice learning fees are paid to universities to fund practice placements in social work settings for students and bursaries are paid to postgraduate social work students who fulfil our eligibility criteria.

Other income is less than budgeted mainly due to the underspend on practice learning fees. We recover the sum paid out in practice learning fees from the Scottish Government. This is partially offset by additional income from the recovery of Disclosure Scotland fees from registrants.

The OSCAR system is a registration system developed for the Social Care Councils in Scotland, England, Wales and Northern Ireland. A specific reserve of £0.225m was created from the previous year's underspend to fund development and system enhancement costs.

There was also a specific reserve of £0.082m held for the development of the Mental Health Officer (MHO) award.

Both the OSCAR and MHO award reserves have now been used in full.

Looking ahead

The number of new registrations is increasing each year as new sectors of workers are required to register. This will mean an increase in the number of registration staff and associated costs which will be partially offset by an increase in registration income. Increased registration numbers will also tend to mean increased conduct and legal costs.

The intention when the SSSC was set up in October 2001 was to move to a position where the fees charged to registrants would be sufficient to fund the cost of their registration. The Minister has decided that registration fees should be set at a level that meets registration costs by 2011/12.

Accounting policies

The accounting policies are set out in the notes to the accounts (pages 46 to 63).

To reflect a change in the methodology for valuing pension assets from “mid-market” to “bid” values, the previous year’s pension liability and reserve have been restated. The liability has been increased by £80k and the reserve reduced by a corresponding amount.

The capitalisation policy has been changed so that as from 1 April 2008 only assets with an individual value of £10,000 are capitalised as an asset on the balance sheet. Previously if several items were purchased together and the combined value of the purchase exceeded £10,000 then the items would be capitalised as a group purchase.

Going concern

The balance sheet at 31 March 2009 shows net liabilities of £0.8m. This is a deterioration on the previous year where there were net assets of £0.3m. This change is mainly as a result of an actuarial loss of £1.0m in the valuation of the pension scheme arising from the application of the accounting standard FRS17.

The pension liability has increased from £0.9m in 2007/08 to £1.85m in 2008/09. The SSSC participates in a pension fund which is the subject of an actuarial valuation every three years and employer contribution rates are set at levels designed to bring fund assets and liabilities into balance for the fund as a whole. Therefore the liability will be reduced through the payment of employee and employer contributions each year. Any future increases in employer contributions will require to be reflected through the grant in aid agreed with the Sponsor Department.

The Scottish Government has replaced the Performance and Financial Management Review which was applied to all Non Departmental Public Bodies (NDPBs) once every five years with a series of new initiatives and processes which collectively achieve the same outcome more effectively and on a continuous rather than a quinquennial basis.

The Council has no reason to believe the Sponsor Department and Scottish Ministers have any intention to withdraw or reduce support to the SSSC. In addition the Sponsor has confirmed grant in aid figures for 2009/10 and provided indicative figures for 2010/11. It is therefore considered appropriate to prepare the accounts on a going concern basis.

Pensions

The Scottish Social Services Council is an admitted body to the Tayside Superannuation Fund. This is a local government pension scheme administered by Dundee City Council.

The local government pension scheme is a defined benefit scheme that provides pension benefits based on final pensionable remuneration. There were 94 employees who were active members of the Tayside Superannuation Fund as at 31 March 2009.

Employer contribution rates have been set following actuarial valuation as follows:

Year ended	Employer contribution rate
31 March 2009	18.9%
31 March 2010	18.5%
31 March 2011	18.5%

Up until 31 March 2009 employee contribution rates were fixed at 6% of pensionable pay. With effect from 1 April 2009 employee contribution rates will be in the range 5.5% to 12% based on earnings bands. The rates and earning bands are subject to periodic review.

The disclosures required by accounting standard FRS17 "Retirement Benefits" are contained in Note 11 of the accounts.

Auditor's remuneration

Under the Public Finance and Accountability (Scotland) Act 2000 the Auditor General for Scotland appoints the auditors of the SSSC. For the financial years 2006/07 to 2010/11 the Auditor General appointed Audit Scotland to undertake the statutory audit of the SSSC.

The general duties of the auditor, including their statutory duties, are set out in the Code of Audit Practice issued by Audit Scotland and approved by the Auditor General.

The cost of statutory audit for 2008/09 was £19.0k (2007/08 £18.4k). Audit Scotland provided services solely relating to the statutory audit. No further assurance, tax or other services were provided.

Scott Moncrieff has been appointed as the SSSC's internal auditors. The cost of internal audit for 2008/09 was £22.3k (2007/08 £7.0k).

All reports by internal and external audit are considered by the Audit Committee.

Payment of creditors

The SSSC is committed to the Confederation of British Industry Prompt Payment Code for the payment of bills for goods and services we receive.

It is our policy to make payments according to the agreed contract conditions. Where there is no contract or other understanding, suppliers are paid within 30 days of either receipt of the goods or services, or when they present a valid invoice or similar demand, whichever comes later.

We have paid 95.5% of invoices within 30 days (2007/08 71%) and 88.9% of invoices within agreed payment terms (2007/08 65%). In response to the Scottish Government's instructions on prompt payment and a target of payment within 10 days we started recording payment within 10 days performance for the last quarter of the year (1 January 2009 to 31 March 2009). We paid 92.6% of invoices within 10 days.

These calculations are based on the date of the invoice and will therefore marginally understate the SSSC's performance as the invoice date will normally be earlier than the date the invoice is received.

We aim for continuous improvement in payment performance.

Disclosure of information to Auditors

So far as I, as the Accountable Officer, am aware, there is no relevant audit information of which our auditors are unaware.

I have taken all steps I ought to have to make myself aware of any relevant information and to establish that our auditors are aware of that information.

Carole Wilkinson
Chief Executive
20 October 2009

3. REMUNERATION REPORT



This report provides information on the remuneration of Scottish Social Services Council (SSSC) Council Members and senior managers. The senior managers are the Chief Executive, the Registrar (Depute Chief Executive), the Head of Education and Workforce Development and the Legal Adviser. The report contains both audited information and information which is not specifically subject to audit.

INFORMATION NOT SUBJECT TO AUDIT

REMUNERATION COMMITTEE

The Remuneration Committee determines the performance element of the pay of the Executive Management Team excluding the pay of the Chief Executive.

The following Council Members have been appointed to sit on the Remuneration Committee:

Gary Coutts (SSSC Convener)

Ian Doig (Chair of Finance and Resources Committee)

Kingsley Thomas (Depute Chair of Finance and Resources Committee)

Bart McGettrick (Chair of Learning and Development Committee)

Margaret McKay (Chair of Registration, Regulation and Monitoring Committee).

The Committee is advised by the following officers:

Chief Executive

Senior HR Advisor.

REMUNERATION POLICY

Members

The remuneration of Council Members is determined by Scottish Ministers. There is no performance element to Members' remuneration.

Chief Executive

The Chief Executive's remuneration is determined by the Senior Salaries Review Body. Performance is assessed through an annual appraisal performed by the Convener and this appraisal is submitted to the Scottish Government to allow the Chief Executive's remuneration to be agreed.

The Executive Management Team

The Executive Management Team are on salary scales £54k to £62k and £62k to £71k and incremental progression to the maximum of the scale is determined by performance. Performance is assessed by the SSSC's "Performance Development Review System" and progression is subject to agreement by the Remuneration Committee. The SSSC's pay strategy must be approved by the Scottish Government. Subject to that approval, a pay award package is negotiated with the trade union. When the pay award package has been agreed it is applied to the remuneration of senior managers and the main body of SSSC staff.

NOTICE PERIODS

Members

Council Members are appointed for a term that does not exceed three years and may be re-appointed for a further term again not exceeding three years.

There is no notice period specified for Council Members. Either party may terminate early by giving notice but there is no exact time period specified. Normally there is no payment available in the event of early termination of the contract. However, where special circumstances exist, Scottish Ministers may

Details of the service contracts for Council Members serving during the year are detailed below:

Name	Current term	Date of initial appointment	Date of re-appointment	Date of termination of appointment
Coutts, Gary (Convener)	1st	01 Sept 2007	n/a	31 Aug 2010
Cairns, Michael	1st	01 Sept 2007	n/a	31 Aug 2010
Carmichael, Elizabeth	1st	01 Sept 2007	n/a	31 Aug 2010
Clark, Frank	1st	17 Oct 2006	n/a	16 Oct 2009
Croan, Karen	1st	01 Sept 2007	n/a	31 Aug 2010
Doig, Ian	2nd	01 Nov 2005	01 Nov 2008	31 Oct 2011
Haddow, Anne	1st	01 Oct 2006	n/a	30 Sept 2009
McGettrick, Bart	1st	01 Oct 2006	n/a	30 Sept 2009
McKay, Margaret	2nd	01 Nov 2005	01 Nov 2008	31 Oct 2011
O'Neill, Maureen	1st	01 Sept 2007	n/a	31 Aug 2010
Smith, Stan	1st	01 Oct 2006	n/a	30 Sept 2009
Thomas, Kingsley	1st	01 Sept 2007	n/a	31 Aug 2010

determine that compensation for early termination is appropriate and instruct the SSSC to make a payment. The value of the payment would also be determined by Scottish Ministers.

Chief Executive

The Chief Executive, Carole Wilkinson commenced on a fixed term contract on 1 October 2001. This was followed by the issue of a permanent contract that commenced on 1 June 2005. The normal retirement age for this post is 65 and the current post holder will attain normal retirement age in 4.6 years. Termination of the contract requires a notice period of 6 months by either party.

There are no compensation payments specified in the contract in the event of early termination of the contract.

Senior managers

The Registrar, Head of Education and Workforce Development and the Legal Adviser are members of the Executive Management Team. All are engaged on permanent contracts and are subject to the normal retirement age of 65. Termination of the contract requires a notice period of three months by either party.

There are no compensation payments specified in the contract in the event of early termination of the contract.

Name	Title	Date of appointment	Years to normal retirement age
Geraldine Doherty	Registrar	01 Feb 2002	13.1
Mary Howden	Head of Education and Workforce Development	6 Nov 2006	15.8
Valerie Murray	Legal Adviser	10 June 2002	15.9

Discretionary benefits policy

The Chief Executive and senior managers do not have any contractual rights to early termination compensation payments but the SSSC operates a discretionary benefits policy that is applicable to all staff (excluding Council Members).

This policy allows additional years of pensionable service to be awarded to those members of the pension scheme who have more than five years pensionable service. The award of additional pensionable service is limited to a maximum of six and two thirds years in a redundancy situation and ten years if early termination is in the interests of the efficiency of the service.

Alternatively, pension scheme members with more than two years pensionable service may be paid compensation of up to 66 weeks pay.

The number of years added or the amount of compensation paid, if any, is determined on the basis of individual circumstances and the employee's age and length of service. All awards of additional service and compensation for early termination must be approved by the Council.

Audited information

Remuneration – SSSC Council Members

Salary 2008 £000		Salary 2009 £000
10 - 15	Coutts, Gary (Convener)	20 – 25
0 - 5	Cairns, Michael	5 – 10
0 - 5	Carmichael, Elizabeth	5 – 10
0 - 5	Croan, Karen	5 – 10
5 - 10	Doig, Ian	5 – 10
5 - 10	Haddow, Anne	5 – 10
5 - 10	McGettrick, Bart	5 – 10
5 - 10	McKay, Margaret	5 – 10
0 - 5	O'Neill, Maureen	5 – 10
5 - 10	Smith, Stan	5 – 10
0 - 5	Thomas, Kingsley	5 – 10

Frank Clark, the Convener of the Scottish Commission for the Regulation of Care (Care Commission), is a member of the Council but receives no remuneration from the SSSC. There is a reciprocal arrangement in place whereby the Convener of the SSSC, is a member of the Board of the Care Commission and receives no remuneration from the Care Commission.

Council Members are not eligible to join the pension scheme available to employees of the SSSC.

Remuneration – Executive Management Team

The salaries and pension entitlements of the Chief Executive and senior managers are as follows:

	Emoluments	Pension	Real increase in lump sum	Accrued pension at age 60*	Related lump sum at age 60*	Cash equivalent transfer value at 31/03/08	Cash equivalent transfer value at 31/03/09	Real increase in cash equivalent transfer value
2008/09	£000	£000	£000	£000	£000	£000	£000	£000
Carole Wilkinson Chief Executive	85-90	0-2.5	0-2.5	35-40	115-120	690	946	236
Geraldine Doherty Registrar	70-75	0-2.5	0	30-35	70-75	344	452	99
Mary Howden Head of Education and Workforce Development	55-60	2.5-5.0	0	25-30	50-55	241	323	74
Val Murray Legal Adviser	55-60	0-2.5	0	20-25	35-40	169	219	44

*Carole Wilkinson had attained the age of 60 prior to 31 March 2009. The figure shown in the "Accrued pension at age 60" column is the pension accrued to 31 March 2009.

No benefits in kind were paid during 2008/09.

Changes were introduced to the Local Government Pension Scheme with effect from 1 April 2009. The effects of the introduction of the new scheme are reflected in the table above with 2008/09 showing, for the majority of staff, greater than would otherwise be anticipated increases in pension entitlement at age 60 but also a reduction in the related lump sum. The new scheme only provides a lump sum automatically on service prior to 31 March 2009. After this date scheme members give up pension entitlement in exchange for a lump sum payment.

The Cash Equivalent Transfer figures have increased significantly due to a change in the actuarial factors on which the calculation of the transfer values is based. This change is primarily to reflect increased life expectancy.

Services from other organisations

Gordon Weir, the Director of Corporate Services is employed by the Care Commission but provides professional services to the SSSC through a Service Level Agreement (SLA). The SSSC made payments to the Care Commission for professional services as follows:

	2007/08 £000	2008/09 £000
Gordon Weir, Director of Corporate Services	21.0	21.0

Carole Wilkinson
Chief Executive
20 October 2009



4.

STATEMENT OF ACCOUNTABLE OFFICER'S RESPONSIBILITIES

Under paragraph 9(1) of Schedule 2 to the Regulation of Care (Scotland) Act 2001, the SSSC is required to prepare a statement of accounts for each financial year in the form and on the basis directed by Scottish Ministers. The accounts are prepared on an accruals basis and must give a true and fair view of the SSSC's affairs at the year end and of its financial activities during the year.

In preparing the accounts, the SSSC is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the accounts direction issued by Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards have been followed and disclose and explain any material departures in the financial statements
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the SSSC will continue in operation.

Scottish Ministers designated the Chief Executive as the Accountable Officer for the SSSC. The Chief Executive's relevant responsibilities as Accountable Officer, including responsibility for the propriety and regularity of the public finances and for the keeping of proper records, are set out in the Non-Departmental Public Bodies' Accountable Officer Memorandum issued by the Scottish Government and published in the *Scottish Public Finance Manual*.

Carole Wilkinson
Chief Executive
20 October 2009



5. STATEMENT ON INTERNAL CONTROL

1. Scope of responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the SSSC's policies, aims and objectives, whilst safeguarding the public funds and the NDPB's assets for which I am personally responsible, in accordance with the responsibilities assigned to me.

The Management Statement and Financial Memorandum for the SSSC makes clear that I am personally responsible to Scottish Ministers, who are ultimately accountable to the Scottish Parliament, for securing propriety and regularity in the management of public funds in my charge and for the day-to-day operations and management of the SSSC.

The SSSC is accountable to its Sponsor, the Workforce and Capacity Division of the Department for Education and Lifelong Learning of the Scottish Government.

The corporate plan and budget are agreed with Scottish Ministers. Regular performance meetings are held with the Sponsor where progress against the plan and key performance indicators are discussed.

The Sponsor occasionally attends Council meetings, is supplied with copies of all relevant Council and Committee papers and also receives budget monitoring information on a monthly basis.

The SSSC follows the guidance set out in the *Scottish Public Finance Manual* (SPFM). The SPFM is issued by the Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling of public funds. It is mainly designed to ensure compliance with statutory and parliamentary requirements, promote value for money and high standards of propriety, and secure effective accountability and good systems of internal control.

2. The purpose of the system of internal control

The system of internal control is designed to manage risk rather than eliminate the risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically.

The system of internal control has been in place in the SSSC for the year ended 31 March 2009 and up to the date of approval of the annual report and accounts, and accords with guidance from the Scottish Ministers.

3. The risk and control framework

All bodies subject to the requirements of the SPFM must operate a risk management strategy in accordance with the guidance issued by Scottish Ministers. The general principles for a successful risk management strategy are set out in the SPFM.

Leadership for managing risk comes from Council Members and the Executive Management Team by making sure that risks are identified and addressed as an integral part of the corporate planning process.

The risks identified are addressed in the preparation of the corporate plan which has been developed to show clear links between the risks identified on the risk register and the SSSC's corporate objectives. As a result, the risks identified become embedded in managers' work plans for the year.

The Executive Management Team meet regularly to consider the plans and strategic direction of the organisation.

All staff are trained in the duties they are required to perform and attend regular "one to one" supervision sessions to discuss work related issues, progress towards objectives, training and personal development requirements.

Following the Scottish Government's review of information security policies and data handling arrangements, the SSSC undertook a scoping exercise on the personal data held by the organisation. We also identified information held about categories of 1,000 or more identifiable individuals as required by the Scottish Government. A risk assessment exercise was undertaken on the personal data held and the top five information risks were identified. These risks are managed as operational risks through the organisation's Operational Management Team. The following strategic risk was added to the SSSC's Risk Register: 'That personal data is processed in breach of the Data Protection Act 1998.' Risks on the Risk Register are managed through the Executive Management Team and regularly reviewed at the Audit Committee, which reports to the Council on adequacy of controls.

All staff are trained in the duties they are required to perform and attend regular "one to one" supervision sessions to discuss work related issues, progress towards objectives, training and personal development requirements. There is a formal Scheme of Delegation that sets out the powers and responsibilities of staff. The Scheme of Delegation is reflected in the authorisation limits provided in the SSSC's financial system.

The SSSC continues to embed risk management principles throughout the organisation and an agreed risk management policy is in place. This policy details the underlying approach to risk and the respective responsibilities of the Council and management. The policy provides direction on a consistent, organised and systematic approach to identifying risks, the control measures that are already in place, the residual risk, the risk appetite and action that is necessary to further mitigate against risks.

More generally, the organisation is committed to a process of continuous development and improvement. Systems are developed in response to any relevant reviews and developments in best practice in this area. In particular, in the year to 31 March 2009 and up to the signing of the accounts the SSSC:

- reviewed and revised the strategic risk register
- has set targets to measure financial and other performance across the organisation and for individual managers and other staff. Progress towards these targets is regularly monitored
- has put business continuity and emergency response plans in place and these are regularly reviewed
- continues to develop contingency plans in the areas of Information and Communications Technology (ICT) and Communications
- continues to develop Key Performance Indicators (KPIs) which have been regularly reported on to Council and operational Committees
- provides the Audit Committee, on each occasion it meets, with an update on progress towards implementing all recommendations agreed with internal and external auditors
- a revised risk management policy (agreed in 2007/08) and a self-assessment against the principles of the Best Value regime was used to inform the planning processes in 2008/09
- a strategic internal audit plan for the three-year period 2008/09 to 2010/11 was agreed by the Audit Committee
- an independent review of procurement practice was completed.

4. Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by:

- the executive managers within the SSSC who have responsibility for the development and maintenance of the internal control framework
- the work of internal auditors, who submit to the SSSC's Audit Committee regular reports which include an independent and objective opinion on the adequacy and effectiveness of the organisation's systems of internal control together with recommendations for improvement
- comments made by the external auditors in their management letter and other reports.

An effective system of internal control is maintained by the regular reporting of progress against the corporate plan and budget. Systems are reviewed by staff and managers on a regular basis and procedures revised where appropriate.

The following all have a role to play in ensuring that a robust and effective system of internal control is maintained and reviewed:

- **The Council**

The Council remains ultimately responsible and accountable for all the decisions taken in its name, whether directly or through its Committees.

The Council must approve the making, revision or revocation of Standing Orders, the approval of the Annual Report and Accounts, budget, corporate plan, risk register and risk management strategy for each financial year.

The Council is also responsible for the approval of the appointment of internal auditors to the SSSC.

- **The Audit Committee**

The purpose of the Audit Committee is to take an overview of the financial reporting arrangements of the Council, the external and internal audit arrangements and also to ensure that there is a sufficient and systematic review of the internal control arrangements of the organisation, including arrangements for risk management.

• **The Finance and Resources Committee**

The purpose of the Finance and Resources Committee is to take an overview of how the Council conducts its business, overseeing, on behalf of the Council, the preparation of budgets, identifying resource requirements, and the efficient, effective, and economical use of the Council's resources.

• **Internal audit**

The SSSC's internal audit function has been contracted out. Internal audit forms an integral part of the SSSC's internal control arrangements. This ensures appropriate monitoring of risks and controls is in place.

Other review and assurance mechanisms include external audit, the regular performance monitoring meetings with the Sponsor and the Sponsor's auditors who have the power to examine SSSC's records and undertake investigations as necessary.

During financial year 2009/10 it is intended to undertake the following actions to improve the SSSC's system of internal control:

- the revised risk review process will be fully embedded into the planning cycle
- an update of the self-assessment against the principles of the Best Value regime will be carried out
- financial training is to be delivered to Council members and budget holders
- the SSSC is to extend its shared service arrangements with the Care Commission in order to implement a revised approach to procurement based on the independent review of procurement practice completed in 2008/09.

Carole Wilkinson
Chief Executive
20 October 2009





6. INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the members of the Scottish Social Services Council, the Auditor General for Scotland and the Scottish Parliament

I have audited the financial statements of the Scottish Social Services Council for the year ended 31 March 2009 under the Regulation of Care (Scotland) Act 2001. These comprise the Income and Expenditure Account and Statement of Recognised Gains and Losses, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 123 of the Code of Audit Practice approved by the Auditor General for Scotland, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

RESPECTIVE RESPONSIBILITIES OF THE COUNCIL, CHIEF EXECUTIVE AND AUDITOR

The Council and Chief Executive are responsible for preparing the Annual Report, which includes the Remuneration Report, and the financial statements in accordance with the Regulation of Care (Scotland) Act 2001 and directions made thereunder by the Scottish Ministers. The Chief Executive is also responsible for ensuring the regularity of expenditure and receipts. These responsibilities are set out in the Statement of the Council's and Accountable Officer's Responsibilities.

My responsibility is to audit the financial statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements and with International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Auditor General for Scotland.

I report my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Regulation of Care (Scotland) Act 2001 and directions made thereunder by the Scottish Ministers. I report to you whether in my opinion, the information which comprises About the SSSC; Our performance in 2008/09; A responsible and responsive organisation and Financial Review included in the Annual Report, are consistent with the financial statements. I also report whether in all material respects the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

In addition, I report to you, if in my opinion, the body has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by relevant authorities regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects the body's compliance with Scottish Government guidance and I report if, in my opinion, it does not. I am not required to consider whether this statement covers all risks and controls or to form an opinion on the effectiveness of the body's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only About the SSSC; Our performance in 2008/09; A responsible and responsive organisation and Financial Review, and the unaudited part of the Remuneration Report included in the Annual Report. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

I conducted my audit in accordance with the Public Finance and Accountability (Scotland) Act 2000 and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board as required by the Code of Audit Practice approved by the Auditor General for Scotland. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of expenditure and receipts included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgements made by the Council and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the agency's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that in all material respects the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

OPINION

Financial statements

In my opinion

- the financial statements give a true and fair view, in accordance with Regulation of Care (Scotland) Act 2001 and directions made thereunder by the Scottish Ministers, of the state of affairs of the Scottish Social Services Council as at 31 March 2009 and of the excess of expenditure over income, recognised gains and losses and cash flows for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Regulation of Care (Scotland) Act 2001 and directions made thereunder by the Scottish Ministers; and
- information which comprises only About the SSSC; Our performance in 2008/09; A responsible and responsive organisation and Financial Review included in the Annual Report, is consistent with the financial statements.

Regularity

In my opinion in all material respects the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Linda Porter, CPFA
Audit Scotland
Osborne House
1/5 Osborne Terrace
Edinburgh
EH12 5HG

22 October 2009





ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2009

Income and Expenditure Account	42
Statement of Recognised Gains and Losses	43
Balance Sheet	44
Cash flow Statement	45
Notes to the Accounts	46-63
Appendix 1 – Accounts Direction	64

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2009

Restated 2008 £000		2009 Notes	£000
Income			
(3,044)	Operating income	2	(3,176)
(3,044)	Total income		(3,176)
Expenditure			
3,682	Staff costs	3b	4,242
2,382	Operating expenditure	4a	2,807
1,086	Disbursement grants	4b	949
2,512	Bursaries	4b	2,470
2,176	Practice learning fees	4b	2,236
11,838	Total expenditure		12,704
8,794	<i>Operational cost on ordinary activities before interest and (return)/cost on pension scheme assets and liabilities</i>		9,528
(17)	Bank interest (net of charges)		(5)
(30)	(Return)/cost on pension assets and liabilities		39
8,747	<i>Operational cost on ordinary activities after interest and (return)/cost on pension scheme assets and liabilities</i>		9,562
(32)	Write back of notional cost of capital		(40)
(30)	Movement on pensions reserve	8	93
8,685	Net operating cost		9,615

All operations are continuing.

The notes on pages 46 - 63 form an integral part of these accounts.

STATEMENT OF RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2009

2008			2009
£000		Notes	£000
1,348	Actuarial gain on valuation of defined benefit obligations	11c	1,492
(922)	Actuarial losses on scheme assets	11d	(2,489)
426	Recognised gains and (losses) for the financial year		(997)

The notes on pages 46 - 63 form an integral part of these accounts.

BALANCE SHEET AS AT 31 MARCH 2009

Restated 2008 £000		Notes	2009 £000
	Fixed assets		
354	Tangible assets	5	411
	Current assets		
915	Debtors	6	813
2,413	Cash at bank and in hand		1,849
3,328			2,662
	Current liabilities		
(2,406)	Creditors - amounts falling due within one year	7	(2,058)
922	Net current assets		604
(946)	Pensions liability	11a	(1,850)
330	Total assets less liabilities		(835)
	Financed by:		
(946)	Pensions reserve	8	(1,850)
	Specific reserves:		
400	• Legal fees	9a	400
225	• OSCAR development	9b	0
82	• Mental Health Officer award	9c	0
569	General fund	10a	615
330			(835)

Carole Wilkinson
Chief Executive
20 October 2009

The notes on pages 46 - 63 form an integral part of these accounts.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

2008 £000		Notes	2009 £000
(6,330)	Net cash inflow/(outflow) from operating activities	(i)	(9,794)
17	Returns on investments and servicing of finance	(ii)	5
Capital expenditure			
(116)	Payments to acquire fixed assets		(129)
Financing			
9,390	Grants and grant in aid		9,354
2,961	Increase/(decrease) in cash	(iii)	(564)

(i) Reconciliation of operating surplus/deficit to net cash inflow from operating activities

2008 £000		2009 £000
(8,794)	Net operating surplus/(deficit)	(9,528)
912	Decrease/(increase) in debtors	102
1,365	(Decrease)/increase in creditors	(348)
60	Pensions adjustment	(132)
32	Notional cost of capital adjustment	40
95	Depreciation	72
(6,330)	Net cash inflow/(outflow) from operating activities	(9,794)

(ii) Returns on investments and servicing of finance

2008 £000		2009 £000
21	Interest received	12
(4)	Interest paid	(7)
17		5

(iii) Analysis of changes in cash during the period

	At 1 April 2008 £000	Cash flow £000	At 31 March 2009 £000
Cash at bank and in hand	2,413	(564)	1,849

The notes on pages 46 - 63 form an integral part of these accounts.

NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

1.1 Basis of accounting

These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets. The accounts have been prepared in accordance with the Accounts Direction issued by Scottish Ministers, and they meet the requirements of the Companies Act 1985, and of the Statements of Standard Accounting Practice/Financial Reporting Standards issued and adopted by the Accounting Standards Board, so far as those requirements are appropriate. The Accounts Direction is reproduced in Appendix 1.

The accounting policies and estimation techniques have been reviewed to ensure they remain the most appropriate.

The SSSC's liquid resources comprise cash balances only.

1.2 Summary of changes to accounting policies

1.2.1 *Capitalisation of fixed assets*

Previously items were capitalised if their individual value exceeded £10,000 or alternatively, if a number of items were purchased together and the value of this group purchase exceeded £10,000. This policy has been revised so that only items with an individual value that exceeds £10,000 are now capitalised.

This change had no impact on the 2008/09 results and the previous year's accounts were not restated as the impact was not material. Assets previously capitalised as group purchases will continue to be depreciated over their remaining useful lives.

1.2.2 *Provision for doubtful debt*

A provision for doubtful debt of £10,000 has been created mainly in response to an increase in the incidence of debt being due from post graduate social work students who fail to satisfactorily meet bursary payment requirements.

1.3 Change in methodology

1.3.1 *Pensions (FRS 17)*

The pensions information disclosed has incorporated the changes made to Financial Reporting Standard 17 – Retirement Benefits in December 2006.

The other key change is that assets are to be valued on a "bid value" basis rather than at "mid market" value. We have used bid values where available. Where bid values are not available we have made an appropriate assumption.

The opening 2007/08 Pension Liability and Pension Reserve have been restated and increased by £80,000 to reflect this change in valuation.

2 Operating income

2008		2009
£000		£000
2,352	Practice learning fees*	2,252
451	Registration fees	575
199	Recovery of Disclosure Scotland fees	271
0	Modern Apprenticeship fees	49
34	Care Accolades sponsorship	24
8	Other Income**	5
3,044		3,176

* Practice learning fees are paid to universities to fund practice learning days for social work students within workplace settings. An administration fee is paid to each university to administer this function.

** Other income for the period 2008/09 comprises £4k from the Organisation for Economic Cooperation and Development (OECD). The Post Qualifying Consortium (PQC) repaid £1k in balances remaining after its closure in March 2008. In the previous year other income of £8k related to recharges to the Scottish Qualifications Authority for project work.

3 Staff numbers and costs

3a Average number of staff employed (full time equivalent)

2008		2009
FTE		FTE
13	Chief Executive and corporate	14
40	Registration and conduct	50
20	Learning and development	22
9	Legal and committee services	11
8	Central and support services	9
6	Communications	5
4	Secondments inward	1
100		112

3b Breakdown of staff costs

2008 £000		2009 £000
2,359	Salaries	2,812
190	Social security costs	211
417	Pension costs	330
138	Agency staff	385
180	Secondment inwards	58
398	Other staff costs	446
3,682	Staff costs	4,242

4 Analysis of operating costs

4a Operating expenditure

2008 £000		2009 £000
798	Supplies and services	1,031
841	Administration costs	1,007
523	Property costs	530
93	Transport costs	117
95	Depreciation	72
0	Creation of provision for doubtful debt	10
32	Notional cost of capital	40
2,382		2,807

The above total includes £19k (2007/08: £18.4k) for external auditor's remuneration and £22.3k (2007/08: £7k) for internal auditor's remuneration. External audit received no fees in relation to non-audit work.

4b Analysis of disbursements

Disbursement grants totalling £0.9m (2007/08: £1.1m) were paid to education and training providers to provide appropriate training to the social services workforce.

During 2008/09 postgraduate bursaries totalling £2.5m (2007/08: £2.5m) were managed by the SSSC. Of this £1.5m was paid directly to students undertaking postgraduate social work training and £1m to universities for tuition fees.

A total of £2.2m (2007/08: £2.2m) was paid to universities to support practice learning opportunities during the year.

5 Tangible fixed assets

	ICT equipment £000	Office equipment £000	Office furniture £000	Fixtures and fittings £000	Total £000
Cost or Valuation:					
At 1 April 2008	350	86	58	127	621
Additions	129	0	0	0	129
At 31 March 2009	479	86	58	127	750
Depreciation:					
At 1 April 2008	194	24	19	30	267
Charge for year	45	12	7	8	72
At 31 March 2009	239	36	26	38	339
Net book value:					
At 31 March 2009	240	50	32	89	411
At 31 March 2008	156	62	39	97	354

6 Debtors

2008 £000		2009 £000
86	Trade debtors	201
0	Less: Provision for doubtful debt	(10)
86	Net trade debtors	191
802	Prepayments and accrued income	567
27	Other debtors	55
915		813
This is further analysed into:		
51	Government bodies	30
863	Bodies external to government	776
1	Local authorities	1
0	NHS bodies	6
915		813

The debt outstanding as at 31 March 2009 has been reviewed and doubtful debt identified. A Doubtful Debt Provision of £10,000 has been created as a result of this review.

7 Creditors

2008		2009
£000		£000
2,040	Trade creditors	1,617
21	Other creditors	8
61	Tax and social security	71
284	Accrued income	362
2,406		2,058

334	This is further analysed into: Government bodies	176
1,985	Bodies external to government	1,775
87	Local authorities	101
0	NHS bodies	6
2,406		2,058

8 Movement on pensions reserve

Restated		
2008		2009
£000		£000
(1,342)	Opening balance	(946)
426	Actuarial gain/(loss) recognised in SRGL	(997)
(30)	Transferred to income and expenditure a/c	93
(946)	Closing balance	(1,850)

9 Specific reserves

The Sponsor has approved the creation of three specific reserves.

A legal reserve has been agreed that is to be maintained at a level of £400k. This reserve is to provide additional funding for future legal costs which could arise due to the unpredictable frequency and complexity of conduct cases. This reserve was not utilised during 2008/09.

The **O**n-line **S**ocial **C**are **R**egister (OSCAR) is a system which is being developed for the Social Care Councils in Scotland, England, Wales and Northern Ireland. The project is being managed by the General Social Care Council (England). The system was implemented in 2007/08 but there were some further development and implementation costs for which a specific reserve of £225k was held. This reserve was utilised in full during the year.

A grant of £82k was awarded in 2007/08 to be paid to partnerships of universities, employers and learning networks to fund the development of the Mental Health Officer (MHO) Award across Scotland. This replaces the Mental Health Social Work Award. The Sponsor agreed that a one off reserve be created to fund these costs during 2008/09. The reserve was used in full during the year.

9a Movement on specific reserve – legal fees

2008		2009
£000		£000
120	Opening balance	400
280	Transfer from/(to) general fund	0
400	Closing balance	400

9b Movement on specific reserve – OSCAR development

2008		2009
£000		£000
123	Opening balance	225
102	Transfer from/(to) general fund	(225)
225	Closing balance	0

9c Movement on specific reserve – Mental Health Officer award

2008		2009
£000		£000
0	Opening balance	82
82	Transfer from/(to) general fund	(82)
82	Closing balance	0

10 Sources of financing

10a General Fund

2008		Revenue	Capital	Total
£000		2009	2009	2009
		£000	£000	£000
327	Opening balance	215	354	569
(8,685)	Retained surplus/(deficit) for year	(9,543)	(72)	(9,615)
9,391	Grants and grant in aid	9,225	129	9,354
Specific Reserve Transfers:				
(280)	Legal reserve	0	0	0
(102)	OSCAR reserve	225	0	225
(82)	MHO Reserve	82	0	82
569	Closing balance	204	411	615

Income from government grants

10b Grant in aid

2008		2009
£000		£000
9,025	Approved grant in aid from Scottish Government	9,470
9,025	Grant drawdown during the year	9,065
0	Grant in aid not required	405

10c Analysis of grant in aid, government grants and other government income

Restated 2008 £000		Notes	2009 £000
9,025	Grant in aid:		9,065
	Other Government grants and income:		
71	Sector Skills Development Agency	(i)	109
82	Mental Health Officer (MHO) Award grant		79
110	Early Years Project		55
0	Continuous Learning Framework		46
54	Scottish Credit and Qualifications Framework (SCQF)	(ii)	0
48	Housing project	(ii)	0
365			289
9,390	Total Grant in aid, government grants and other government income		9,354

- (i) The SSSC has received funds from the Sector Skills Development Agency to cover the costs of carrying out its function as a sector skills council.
- (ii) Grants for the Scottish Credit and Qualifications Framework and Housing projects ended on 31 March 2008.

11 Pension costs

Financial Reporting Standard 17 (FRS 17) – Accounting for Retirement Benefits sets out the accounting treatment to be followed when accounting for the costs of providing a pension scheme.

Tayside Superannuation Fund

The Fund is administered by Dundee City Council and the pension scheme is part of the Local Government Pension Scheme. It is a defined benefit scheme, which means that the benefits to which members and their spouses are entitled are determined by final pensionable pay and length of service.

The contributions paid by the Council for the year to 31 March 2009 were £463k representing 18.9% of pensionable pay (2007/08: £365k representing 17.7% of pensionable pay). The employer contribution rate for the year to 31 March 2010 has been reduced to 18.5%. Employee contributions are fixed at 6% of pensionable pay until 31 March 2009 after which contribution rates will be in the range 5.5% to 12% based on earnings bands.

The Tayside Superannuation Fund is a multi-employer scheme which includes local authorities and admitted bodies. The SSSC's share of the underlying assets and liabilities have been separately identified on the following basis:

11a Employee benefits – balance sheet recognition

	Restated Year to 31 March 2008 £000	Year to 31 March 2009 £000
Present value of funded obligation	8,733	8,390
Fair value of Scheme assets (bid value)	7,979	6,666
Net Liability	754	1,724
Present value of unfunded obligation	192	126
Net Liability in Balance Sheet	946	1,850

11b Income and expenditure costs for the year to 31 March 2009

The amounts recognised in the profit and loss are as follows:

	Restated Year to 31 March 2008		Year to 31 March 2009	
	£000	£000	£000	£000
Current service cost		359		338
Interest on obligation	499		618	
Expected return on Scheme assets	(529)		(579)	
(Return)/cost on pension assets and liabilities		(30)		39
Losses/(gains) on curtailments and settlements		40		0
Total		369		377
Actual return on Scheme Assets		(393)		(1,673)

The expected return on assets is based on the long term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 April 2008 for the year ended 31 March 2009). The return on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect default risk) respectively at the relevant date. The return on equities and property is then assumed to be a margin above gilt yields.

We have adopted the following expected returns:

	Expected return as at:		
Asset class	1 April 2007	1 April 2008	1 April 2009
	% p.a.	% p.a.	% p.a.
Equities	7.2%	7.6%	7.8%
Gilts	4.4%	4.3%	4.0%
Bonds	5.4%	6.6%	6.5%
Property	6.7%	7.1%	7.3%
Cash	5.0%	5.0%	3.0%

11c Benefit obligation reconciliation for the year to 31 March 2009

Changes in the present value of the defined benefit obligations are as follows:

	Restated Year to 31 March 2008 £000	Year to 31 March 2009 £000
Opening defined benefit obligation	8,764	8,926
Service cost	359	338
Interest cost	499	618
Actuarial losses/(gains)	(1,348)	(1,492)
Losses/(gains) on curtailments	40	0
Estimated benefits paid net of transfers in	503	(16)
Contributions by Scheme participants	118	151
Unfunded pension payments	(9)	(9)
Closing defined benefit obligation	8,926	8,516

11d Fair value of scheme assets reconciliation for the year to 31 March 2009

Changes in the fair value of Scheme assets are as follows:

	Restated Year to 31 March 2008 £000	Year to 31 March 2009 £000
Opening fair value of Scheme assets	7,422	7,980
Expected return on Scheme assets	529	579
Actuarial gains/(losses)	(922)	(2,489)
Employer contributions (including unfunded pensions)	339	470
Contributions by Scheme participants	118	151
Estimated benefits paid net of transfers in (including unfunded pensions)	494	(25)
Closing fair value of scheme assets	7,980	6,666

11e Projected pension expense for the year to 31 March 2010

	Year to 31 March 2010 £000
Projected pension expense	
Service cost	314
Interest cost	586
Return on assets	(479)
Total	421
Employer contributions	484

Note that these figures exclude the capitalised cost of any early retirements or augmentations which may occur after 31 March 2009.

11f Whole fund assets

The table below provides details of the estimated asset allocation of the whole fund.

Asset class	Restated Assets as at 31 March 2008		Assets as at 31 March 2009	
	£000	%	£000	%
Equities	1,067,183	68.7	806,360	64.4
Gilts	197,523	12.7	143,799	11.5
Other Bonds	75,513	4.9	106,425	8.5
Property	168,784	10.9	126,748	10.1
Cash	43,267	2.8	69,046	5.5
Total	1,552,270	100.0	1,252,378	100.0

Assets have been valued on a “bid value” for the first time for the year ended 31 March 2009. In previous years assets were valued on a “mid market” basis. The comparative figures for previous years have been restated to reflect this change in accounting methodology.

11g Financial assumptions as at 31 March 2009

The financial assumptions used for FRS17 calculations are below. The discount rate is the yield on the Merrill Lynch Non Gilt Sterling AA Over 15 Year Corporate Bond Index with an adjustment of -0.2% to reflect the duration of the liabilities relative to the duration of the index.

Assumptions as at	31 March 2007		31 March 2008		31 March 2009	
	% p.a.	real rate % p.a.	% p.a.	real rate % p.a.	% p.a.	real rate % p.a.
Price increases	3.3%	-	3.7%	-	3.0%	-
Salary increases	4.8%	1.5%	5.2%	1.5%	4.5%	1.5%
Pensions increases	3.3%	-	3.7%	-	3.0%	-
Discount rate	5.4%	2.0%	6.6%	2.8%	6.7%	3.6%

11h Demographic/statistical assumptions

A set of demographic assumptions that are consistent with those used for the formal funding valuation as at 31 March 2008 have been adopted. The post retirement mortality tables used were the PA92 series projected to calendar year 2008 for current pensioners and 2018 for non-pensioners with a minimum improvement of 1% per annum.

The assumed life expectations from age 65 are:

Life expectancy from age 65 (years)

Retiring today	Males	21.37
	Females	24.44
Retiring in 20 years	Males	22.30
	Females	25.34

11i Sensitivity analysis

The following table sets out the impact of a change in the discount rates on the Total Obligation and Projected Service Cost along with a +/- 1 year age rating adjustment to the mortality assumption.

	£000	£000	£000
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	8,312	8,516	8,725
Projected service cost	302	314	327
Adjustment to mortality age rating assumption	+ 1yr	None	- 1 yr
Present value of total obligation	8,210	8,516	8,824
Projected service cost	298	314	331

11j Amounts for the current and previous periods

The amounts for the current and previous four periods are detailed below. Assets are shown at bid price (estimated where necessary) for the periods prior to 31 March 2009.

Year to:	March 2005 £000	March 2006 £000	March 2007 £000	March 2008 £000	March 2009 £000
Defined benefit obligation	(3,606)	(8,221)	(8,764)	(8,926)	(8,516)
Scheme assets	2,628	6,316	7,421	7,980	6,666
Surplus/(deficit)	(978)	(1,905)	(1,343)	(946)	(1,850)
Experience adjustments on Scheme liabilities		48			(210)
Experience adjustments on Scheme assets	121	1,030	139	(922)	(2,489)

12 Commitments

There were no capital commitments as at 31 March 2009.

13 Contingent liabilities

There were no contingent liabilities as at 31 March 2009.

14 Financial Instruments

As the cash requirements of the SSSC are met through grant in aid provided by the Workforce and Capacity Issues Division of the Young People and Social Care Directorate within the Scottish Government, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with our expected purchase and usage requirements and the SSSC is therefore exposed to little credit, liquidity or market risk.

15 Operating leases

Operating lease payments commitments expiring:	Premises £000	ICT Support £000	Total £000
Within 1 year of the balance sheet date	425	170	595
Within 2 to 5 years of balance sheet date	434	173	607
	859	343	1,202

There is a Service Level Agreement (SLA) between the SSSC and Care Commission and the Care Commission charges the SSSC for property costs, ICT costs, and professional services based on this SLA. The SLA contains arrangements akin to a lease for accommodation and ICT equipment. These arrangements are expected to continue until 31 March 2011 when revised arrangements will be made with Social Care and Social Work Improvement Scotland (SCSWIS).

16 Related party transactions

The SSSC is a Non-Departmental Public Body (NDPB) sponsored by the Workforce and Capacity Issues Division of the Young People and Social Care Directorate within the Scottish Government. The Scottish Government is regarded as a related party, as is the Scottish Commission for the Regulation of Care. A Register of interests is maintained and updated annually. None of the Council Members, key managerial staff or other related parties has undertaken material transactions with the SSSC during the year.

17 Events after the balance sheet date

There were no events after the balance sheet date relating to the 2008/09 financial year.

SCOTTISH SOCIAL SERVICES COUNCIL



The Scottish
Government

DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in pursuance of paragraph 9(1) of Schedule 2 to the Regulation of Care (Scotland) Act 2001, hereby give the following direction.
2. The statement of accounts for the financial year ended 31 March 2006, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
4. This direction shall be reproduced as an appendix to the statement of accounts. The direction given on 25 November 2001 is hereby revoked.



Signed by the authority of the Scottish Ministers

Dated: 16 January 2006

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